

## **Maryland Motor Truck Association**

TRUCKING
Moves America Forward

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**HEARING DATE**: March 11, 2020

BILL NO/TITLE: SB912: Environment – Climate Crisis and Education Act

**COMMITTEE:** Senate Budget & Taxation Committee

POSITION: Oppose

Over the last 15 years the U.S. Environmental Protection Agency adopted several rules to reduce emissions from heavy-duty trucks. As a result, since 2010, emissions from heavy-duty diesel trucks have been reduced by:

- 99% for NOx an ozone precursor
- 98% for particulate emissions
- 20% for greenhouse gases

Going forward, three additional rounds of increasingly stringent federal engine and vehicle greenhouse gas emissions standards are slated for new commercial trucks sold nationwide. By 2027, commercial trucks will further reduce fuel consumption and greenhouse gas emissions by an additional 25%. Improvements to the trailers pulled by these trucks will provide another 9% reduction.

The combined effect of these efforts is expected to save approximately 2.5 billion barrels of oil and reduce emissions of carbon dioxide by nearly 1.4 million metric tons. Recent strides have been even greater in Maryland, where our industry is recognized as one of the top 10 states in the country in the adoption of more modern, environmentally friendly trucks.

MMTA is concerned the passage of this legislation will have a crippling effect on the state's economy, with a huge financial impact on all businesses. There is clearly no silver bullet that will achieve the state's GHG reduction goals. To that end, MMTA encourages a multi-faceted strategy that includes:

- A continued focus on voluntary measures backed by financial incentives to assist companies with adoption of cleaner technologies, such as the Port of Baltimore Dray Truck Replacement Program.
- An approach that considers all fuel options including some continuation of fossil fuel use, such as clean
  diesel, natural gas, and biofuels as bridge fuels while other technologies are enhanced to meet the needs of
  the trucking industry. Both biodiesel and renewable diesel fuel are capable of significantly reducing GHG
  emissions without the major infrastructure investments required for other fuel sources.
- Bid preferences on state contracts for motor carriers that are partners in the Environmental Protection Agency's SmartWay program and have taken steps to reduce their greenhouse gas emissions voluntarily.

Carbon taxation poses significant challenges for the trucking industry. Our industry is *fuel neutral*; however, we must have access to a readily available, affordable and reliable fuel supply. This means:

- There must be no negative operational impacts on our equipment.
- The fuel supply must be reasonable in cost and marketplace ready.
- There must be no disruption in availability of supply that prevent us from delivering the goods people need.

While new fuel options that meet these criteria may become viable in the future, today the industry relies on ultra-low sulfur diesel. Trucking is a non-discretionary user of the highways, delivering the food, clothing, medical supplies and other goods citizens need. MMTA believes SB912 overlooks the meaningful reductions that have occurred in the trucking industry and those that are already slated to continue. For these reasons, we ask for an unfavorable report. Should the Committee see fit to move forward with this legislation, MMTA feels that, given the tremendous strides that have been made, coupled with the lack of viable fuel alternatives in the heavy duty trucking industry sector, any GHG pollution charge should exclude on-road diesel fuel until viable alternative fuel options exist.

<u>About Maryland Motor Truck Association:</u> Maryland Motor Truck Association is a not-for-profit trade association representing the trucking industry since 1935. In service to its 1,000+ members, MMTA is committed to supporting and advocating for a safe, efficient and profitable trucking industry across all sectors and industry types, regardless of size, domicile or type of operation.

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